Members who have opted out of health coverage or who have waived health coverage are not eligible for the financial incentive.

If you are currently not participating in the State of Illinois Insurance Program because you have waived or opted out of the coverage and would like to qualify for the financial incentive payment, you must first elect to opt back in to the state's health program during a Benefit Choice Period or upon experiencing a Qualifying Change in Status. Then, upon re-electing to opt out of the coverage (either during a Benefit Choice Period or upon experiencing a Qualifying Change in Status), you would become eligible for the financial incentive.

State Retirement Systems' OPT OUT Election with Financial Incentive Only Applies to Non-Medicare Annuitants

In accordance with Public Act 98-0019, annuitants from any State retirement system (SERS, SURS, TRS, JRS and GARS) receiving a retirement annuity who are <u>not</u> eligible for Medicare may elect not to participate in the Health Plan including health, pharmacy, dental and vision coverage of the State Employees Group Insurance Program and receive a monthly financial incentive. The amount of the incentive is based on the number of years of service. Annuitants with less than 20 years of service are eligible for a \$150/month incentive; annuitants with 20 years or more of service are eligible for a \$500/month incentive. Applicable taxes will be taken from the incentive payment.

more of ser	rvice are eligible for a \$500/month incentive. Applic	cable taxes w	ill be taken from the incentive payment.			
Member N	Name:	Member S	SSN:			
	Phone #:		dress:			
Years of So	ervice: □ \$150 Incentive (less than 20	0 years)	□ \$500 Incentive (20 years or more)			
1. The electron and vision incurred not eligi	lerstand and certify the following: ction to opt out of the Health Plan is entirely volunt on dependent coverage will also be terminated. The lafter my termination date for my dependents or metable for COBRA continuation coverage.	he State of Ill nyself. Furthe	llinois is not responsible for any expenses termore, my covered dependents and I are			
Incentive or comp (DCMS) Insurance other elimeter app	2. I must complete this State Retirement Systems' Non-Medicare Annuitant Opt Out Election with Financia Incentive form and furnish proof of enrollment in another health benefit plan, either comprehensive major medical or comprehensive managed care, from a source other than the Illinois Department of Central Management Service (DCMS), including the Local Government Health Plan, Teachers' Retirement Insurance Program or Colleg Insurance Program, before my coverage will be terminated. My Health Plan coverage will not be terminated until other eligible coverage is in effect, appropriate documentation has been submitted and such documentation has been approved by my retirement system and DCMS. I further understand that I will be required to provide proof of this enrollment on an annual basis to continue receiving this incentive.					
also und Life and	3. If I elect to opt out of the Health Plan, I will continue to be enrolled in the state-paid basic life insurance plan. also understand I am eligible to participate in the optional life insurance plan, which includes Spouse Life, Chil Life and Member Optional Life, as long as I began receiving my annuity within one year of terminating my state employment.					
4. If, at a la	ater date, I wish to re-enroll in one of the health plan ble for the monthly financial incentive.	ıs administere	ed by DCMS, I understand I will no longer			
	pest of my knowledge, the opt-out documentation fur plan is accurate and the policy is currently in force.	rnished to sub	ostantiate coverage in another health			
the follo	to return to DCMS all payments made in error or fo owing: (a) failure to report change and/or Qualif- tion in order to receive Opt Out Incentive payments nation of the financial incentive and disallowance of	fying Change s. My failure	es in Status timely, and/or (b) falsifying to repay payments as required will result			
	stand that if I become ineligible for the financial incoverage, my Opt Out election remains in force until so		•			
Member Si	ignature:se send this completed form with proof of other cove	erage to your	Date:/			
aent Use y	I verified (1) the member is eligible for the financial and (3) the member has provided proof of other con					
Retirement System Use Only	Effective Date of Financial Incentive:		Opt Out Type Enrollee Code: 50			
— 3 2	Group Incurance Representative Signature		Data			

10. Home Phone Number



8. Signature

Malcolm Weems, Director

Authorization for Direct Deposit of SERS Opt Out Incentive Payment Please fill out and return to the State Employees' Retirement System I authorize the State of Illinois to initiate electronic credit entries and the financial institution listed below to receive credit entries, and if necessary, reversing credit entries for any credit given in error or not owed to my account, each payment period. This authority will remain in effect until I have canceled it in writing. 1. Name (please print) 2. Social Security Number Checking Savings 5. Financial Institution: Name and City 7. Bank Transit Routing Number (9 digits)

Form Completion Instructions

9. Date

- 1. **Name** Print your first name, middle initial and last name.
- 2. **Social Security Number** Indicate your 9-digit social security number.
- 3. Payroll Code Pre-filled no response required.
- 4. **Checking or Savings Line** Indicate whether your direct deposit account is a checking or savings account by checking the appropriate box.
- 5. **Financial Institution Name and City** Print the name and city of the financial institution at which you bank.
- 6. **Account Number** Indicate your account number. If depositing into a checking account, the account number is found on the MICR line at the bottom of your personal check.
- 7. **Bank Transit Routing Number** Indicate the 9-digit bank transit routing number found on the MICR line on the bottom of your personal check.
- 8. **Signature** Sign the form.
- 9. Date Field Print the date the form was completed.
- 10. Home Phone Number Indicate your home phone number.

NOTE: Attach a voided check to the signed authorization form and return to: State Employees' Retirement System, 2101 S. Veterans Parkway, P.O. Box 19255, Springfield, Illinois 62794-9255.

Form W-4 (2013)

Purpose. Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Consider completing a new Form W-4 each year and when your personal or financial situation changes.

Exemption from withholding. If you are exempt, complete **only** lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2013 expires February 17, 2014. See Pub. 505, Tax Withholding and Estimated Tax.

Note. If another person can claim you as a dependent on his or her tax return, you cannot claim exemption from withholding if your income exceeds \$1,000 and includes more than \$350 of unearned income (for example, interest and dividends).

Basic instructions. If you are not exempt, complete the Personal Allowances Worksheet below. The worksheets on page 2 further adjust your withholding allowances based on itemized deductions, certain credits, adjustments to income, or two-earners/multiple jobs situations.

Complete all worksheets that apply. However, you may claim fewer (or zero) allowances. For regular wages, withholding must be based on allowances you claimed and may not be a flat amount or percentage of wages.

Head of household. Generally, you can claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See Pub. 501, Exemptions, Standard Deduction, and Filing Information, for information.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See Pub. 505 for information on converting your other credits into withholding

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax. If you have pension or annuity

income, see Pub. 505 to find out if you should adjust your withholding on Form W-4 or W-4P

Two earners or multiple jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others. See Pub. 505 for details

Nonresident alien. If you are a nonresident alien, see Notice 1392, Supplemental Form W-4 Instructions for Nonresident Aliens, before completing this form.

Check your withholding. After your Form W-4 takes effect, use Pub. 505 to see how the amount you are having withheld compares to your projected total tax for 2013. See Pub. 505, especially if your earnings exceed \$130,000 (Single) or \$180,000 (Married).

Future developments. Information about any future developments affecting Form W-4 (such as legislation enacted after we release it) will be posted at www.irs.gov/w4.

		Persona	l Allowances Works	heet (Keep for your records.)				
Α	Enter "1" for you	rself if no one else can o	laim you as a dependent		A			
	(You are single and have 	e only one job; or)			
В	Enter "1" if: You are married, have only one job, and your spouse does not work; or							
	• Your wages from a second job or your spouse's wages (or the total of both) are \$1,500 or less.							
С				ou are married and have either a w				
	than one job. (En	tering "-0-" may help yo	u avoid having too little ta	ax withheld.)	c			
D	Enter number of	dependents (other than	your spouse or yourself)	you will claim on your tax return.	D			
Е	Enter "1" if you will file as head of household on your tax return (see conditions under Head of household above) E							
F	•		•	xpenses for which you plan to cla				
				d and Dependent Care Expenses,				
G	•			72, Child Tax Credit, for more info	•			
		, -	•	, enter "2" for each eligible child; t				
	have three to six	eligible children or less	'2" if you have seven or n	nore eligible children.	•			
	If your total incor	ne will be between \$65.000	and \$84.000 (\$95.000 and \$	\$119,000 if married), enter "1" for eacl	n eligible child G			
н	•		•	rom the number of exemptions you cl				
	1	,	•	ncome and want to reduce your with	· · · · · · · · · · · · · · · · · · ·			
	For accuracy,	and Adjustments W		,				
	complete all				spouse both work and the combined			
	worksheets that apply.	avoid having too little ta		r married), see the Two-Earners/M	ultiple Jobs Worksheet on page 2 to			
	triat apply.	ŭ		ere and enter the number from line I	I on line 5 of Form W-4 below.			
		Separate nere and	give Form W-4 to your em	ployer. Keep the top part for your	records			
	M_{-A}	Employe	e's Withholding	Allowance Certifica	te OMB No. 1545-0074			
Form	WV -4		_	er of allowances or exemption from wit				
	tment of the Treasury			e required to send a copy of this form t				
1	Your first name ar	nd middle initial	Last name		2 Your social security number			
	Home address (nu	mber and street or rural route)	3 Single Married Mar	ried, but withhold at higher Single rate.			
				Note. If married, but legally separated, or spouse is a nonresident alien, check the "Single" box.				
	City or town, state	, and ZIP code		4 If your last name differs from that shown on your social security card,				
			check here. You must call 1-800-772-1213 for a replacement card. ▶					
5	Total number o	f allowances you are cla	ming (from line H above					
6	1 7				, , ,			
7	Traditional amount, in any, you main mainted from each payonoon.							
•	•	· ·		held because I had no tax liability.	·			
	•	•		ecause I expect to have no tax liab				
					7			
Unde					elief, it is true, correct, and complete.			
		,,		,	, , , , , , , , , , , , , , , , , , , ,			
	loyee's signature form is not valid ur	nless you sign it.) ▶			Date ▶			
8			olete lines 8 and 10 only if send	ding to the IRS.) 9 Office code (optional)	10 Employer identification number (EIN)			

Form W-4 (2013) Page **2**

			Deduct	ons and A	diust	ments Works	heet			
Deductions and Adjustments Worksheet Note. Use this worksheet only if you plan to itemize deductions or claim certain credits or adjustments to income.										
1	Enter an estimate of your 2013 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 10% (7.5% if either you or your spouse was born before January 2, 1949) of your income, and miscellaneous deductions. For 2013, you may have to reduce your itemized deductions if your income is over \$300,000 and you are married filing jointly or are a qualifying widow(er); \$275,000 if you are head of household; \$250,000 if you are single and not head of household or a qualifying widow(er); or \$150,000 if you are married filing separately. See Pub. 505 for details									
	\$12,200 if married filing jointly or qualifying widow(er)									
2	Enter: { \$8	3,950 if head			v(CI)	}			2 \$	
3			. If zero or less, enter	•					3 \$	
4			013 adjustments to inc						4 \$	_
5	Add lines 3	and 4 and e	nter the total. (Includ r 2013 Form W-4 wor	e any amour	nt for	credits from the	Converting (Credits to	5 \$	
6	Enter an estir	mate of your 2	2013 nonwage income	e (such as div	/idend	s or interest) .			6 \$	
7	Subtract line	6 from line 5	. If zero or less, enter	"-0-"					7 \$	
8			7 by \$3,900 and ente						8	
9			Personal Allowance						9	
10	Add lines 8 a	nd 9 and ente	er the total here. If you	u plan to use	the T v	wo-Earners/Mul	tiple Jobs Wo	orksheet,		
			1 below. Otherwise,						10	
	-	Two-Earne	rs/Multiple Jobs	Worksheet	: (See	Two earners of	or multiple j	obs on page	e 1.)	
Note			the instructions unde				, ,	, ,		
1	Enter the numb	per from line H,	page 1 (or from line 10 a	bove if you use	ed the	Deductions and A	djustments Wo	orksheet)	1	
2			. • .	•			-			
	Find the number in Table 1 below that applies to the LOWEST paying job and enter it here. However, if you are married filing jointly and wages from the highest paying job are \$65,000 or less, do not enter more than "3"									
3	If line 1 is m	ore than or	equal to line 2, subti	ract line 2 fro	m line	e 1. Enter the res	sult here (if z	ero, enter		
	"-0-") and on	Form W-4, lin	ne 5, page 1. Do not	use the rest o	of this	worksheet			3	
Note	. If line 1 is les	s than line 2,	enter "-0-" on Form	<i>N</i> -4, line 5, p	age 1.	Complete lines 4	4 through 9 be	elow to		
			olding amount necess		-	•	J			
4	Enter the nur	nber from line	2 of this worksheet				4			
5			1 of this worksheet				5			
6									6	
7			2 below that applies to						7 \$	
8			d enter the result here						8 \$	
9		•	of pay periods remaining				•		<u> </u>	
		-		-						
weeks and you complete this form on a date in January when there are 25 pay periods remaining in 2013. Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck 9 \$										
		Tab	ole 1				Tal	ble 2		
	Married Filing		All Other	s	Married Filing Jointly				All Other	'S
	s from LOWEST	Enter on	If wages from LOWEST	Enter on		ges from HIGHEST	Enter on	If wages from		Enter on
paying	job are—	line 2 above	paying job are-	line 2 above	payın	g job are—	line 7 above	paying job are	_	line 7 above
	0 - \$5,000 11 - 13,000	0	\$0 - \$8,000 8,001 - 16,000	0 1	7	\$0 - \$72,000 2,001 - 130,000	\$590 980	\$0 - \$ 37,001 -	\$37,000	\$590 980
13,00	1 - 24,000	2	16,001 - 25,000	2	130	0,001 - 200,000	1,090	80,001 -	175,000	1,090
	11 - 26,000 11 - 30,000	3 4	25,001 - 30,000 30,001 - 40,000	3 4		0,001 - 345,000	1,290 1,370	175,001 - 3 385,001 an		1,290 1,540
	11 - 42,000	5	40,001 - 50,000	5		5,001 - 385,000 5,001 and over	1,540	505,001 an	u Uvei	1,540
42,00	1 - 48,000	6	50,001 - 70,000	6						
	11 - 55,000 11 - 65,000	7 8	70,001 - 80,000 80,001 - 95,000	7 8						
65,00	1 - 75,000	9	95,001 - 120,000	9						
	11 - 85,000	10	120,001 and over	10						
	11 - 97,000 11 - 110,000	11 12								
110,00	1 - 120,000	13								
120,00	1 - 135,000	14	I				1			I

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. Internal Revenue Code sections 3402(f)(2) and 6109 and their regulations require you to provide this information; your employer uses it to determine your federal income tax withholding. Failure to provide properly completed form will result in your being treated as a single person who claims no withholding allowances; providing fraudulent information may subject you to penalties. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation; to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws; and to the Department of Health and Human Services for use in the National Directory of New Hires. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

135,001 and over

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.



Form IL-W-4

Employee's Illinois Withholding Allowance Certificate and Instructions

Who must complete Form IL-W-4?

If you are an employee, you must complete this form so your employer can withhold the correct amount of Illinois Income Tax from your pay. The amount withheld from your pay depends, in part, on the number of allowances you claim on this form

Even if you claimed exemption from withholding on your federal Form W-4, U.S. Employee's Withholding Allowance Certificate, because you do not expect to owe any federal income tax, you may be required to have Illinois Income Tax withheld from your pay (see Publication 130, Who is Required to Withhold Illinois Income Tax). If you are claiming exempt status from Illinois withholding, you must check the exempt status box on Form IL-W-4 and sign and date the certificate. Do not complete Lines 1 through 3.

If you are a resident of Iowa, Kentucky, Michigan, or Wisconsin, or a military spouse, see Form W-5-NR, Employees Statement of Nonresidence in Illinois, to determine if you are exempt.

Note If you do not file a completed Form IL-W-4 with your employer, if you fail to sign the form or to include all necessary information, or if you alter the form, your employer must withhold Illinois Income Tax on the entire amount of your compensation, without allowing any exemptions.

When must I file?

You must file Form IL-W-4 when Illinois Income Tax is required to be withheld from compensation that you receive as an employee. You should complete this form and give it to your employer on or before the date you start working for your employer. You may file a new Form IL-W-4 any time your withholding allowances increase. If the number of your previously claimed allowances decreases, you **must** file a new Form IL-W-4 within 10 days. However, the death of a spouse or a dependent does not affect your withholding allowances until the next tax year.

When does my Form IL-W-4 take effect?

If you do not already have a Form IL-W-4 on file with your employer, this form will be effective for the first payment of compensation made to you after this form is filed. If you already have a Form IL-W-4 on file with this employer, your employer may allow any change you file on this form to become effective immediately, but is not required by law to change your withholding until the first payment of compensation is made to you after the first day of the

next calendar quarter (that is, January 1, April 1, July 1, or October 1) that falls at least 30 days after the date you file the change with your employer.

Example: If you have a baby and file a new Form IL-W-4 with your employer to claim an additional exemption for the baby, your employer may immediately change the withholding for all future payments of compensation. However, if you file the new form on September 1, your employer does not have to change your withholding until the first payment of compensation is made to you after October 1. If you file the new form on September 2, your employer does not have to change your withholding until the first payment of compensation made to you after December 31.

How long is Form IL-W-4 valid?

Your Form IL-W-4 remains valid until a new form you have filed takes effect or until your employer is required by the department to disregard it. Your employer is required to disregard your Form IL-W-4 if you claim total exemption from Illinois Income Tax withholding, but you have not filed a federal Form W-4 claiming total exemption. Also, if the Internal Revenue Service (IRS) has instructed your employer to disregard your federal Form W-4, your employer must also disregard your Form IL-W-4. Finally, if you claim 15 or more exemptions on your Form IL-W-4 without claiming at least the same number of exemptions on your federal Form W-4, and your employer is not required to refer your federal Form W-4 to the IRS for review, your employer must refer your Form IL-W-4 to the department for review. In that case, your Form IL-W-4 will be effective unless and until the department notifies your employer to disregard it.

What is an "exemption"?

An "exemption" is a dollar amount on which you do not have to pay Illinois Income Tax. Therefore, your employer will withhold Illinois Income Tax based on your compensation minus the exemptions to which you are entitled.

What is an "allowance"?

The dollar amount that is exempt from Illinois Income Tax is based on the number of allowances you claim on this form. As an employee, you receive one allowance unless you are claimed as a dependent on another person's tax return (e.g., your parents claim you as a dependent on their tax return). If you are married, you may claim additional allowances for your spouse and any dependents that you are entitled to claim for federal income tax purposes. You

also will receive additional allowances if you or your spouse are age 65 or older, or if you or your spouse are legally blind.

How do I figure the correct number of allowances?

Complete the worksheet on the back of this page to figure the correct number of allowances you are entitled to claim. Give your completed Form IL-W-4 to your employer. Keep the worksheet for your records.

If you are a partner in a same-sex civil union, and are subject to federal income tax on health benefits your employer pays for your partner, these benefits are not taxed by Illinois. Your employer will still withhold Illinois tax on these benefits unless you choose to claim additional allowances to reduce your withholding by including the amount of these benefits on Line 6 of the Withholding Allowance Worksheet.

Note If you have more than one job or your spouse works, you should figure the total number of allowances you are entitled to claim. Your withholding usually will be more accurate if you claim all of your allowances on the Form IL-W-4 for the highest-paying job and claim zero on all of your other IL-W-4 forms.

What if I underpay my tax?

If the amount withheld from your compensation is not enough to cover your tax liability for the year, (e.g., you have non-wage income, such as interest or dividends), you may reduce the number of allowances or request that your employer withhold an additional amount from your pay. Otherwise, you may owe additional tax at the end of the year. If you do not have enough tax withheld from your pay, and you owe more than \$500 tax at the end of the year, you may owe a late-payment penalty. You should either increase the amount you have withheld from your pay, or you must make estimated tax payments.

For additional information on penalties, see Publication 103, Uniform Penalties and Interest. Visit our website at **tax.illinois.gov** to obtain a copy.

Where do I get help?

- Visit our website at tax.illinois.gov
- Call our Taxpayer Assistance Division at 1 800 732-8866 or 217 782-3336
- Call our TDD (telecommunications device for the deaf) at 1 800 544-5304
- Write to ILLINOIS DEPARTMENT OF REVENUE PO BOX 19044 SPRINGFIELD IL 62794-9044

IL-W-4 (R-12/12)

Illinois Withholding Allowance Worksheet

General Information

Complete this worksheet to figure your total withholding allowances.

Everyone must complete Step 1.

Complete Step 2 if

- you (or your spouse) are age 65 or older or legally blind, or
- you wrote an amount on Line 4 of the Deductions and Adjustments Worksheet for federal Form W-4.

If you have more than one job or your spouse works, you should figure the total number of allowances you are entitled to claim. Your withholding usually will be more accurate if you claim all of your allowances on the Form IL-W-4 for the highest-paying job and claim zero on all of your other IL-W-4 forms.

You may reduce the number of allowances or request that your employer withhold an additional amount from your pay, which may help avoid having too little tax withheld.

Aujustinents Worksheet for lederal Form W-4.	neip avoid having too little tax withhei	u.
Step 1: Figure your basic person	onal allowances (including allowances f	or dependents)
3 Add Lines 1 and 2. Write the result. This is the you are entitled.4 If you want to have additional Illinois Income Tax	an additional amount withheld. Write the total number	1 2 3
Step 2: Figure your additional		
of additional allowances you elect to claim on l	s subtractions or deductions. whole number. Write the result on Line 7. total number of additional allowances to which ax withheld from your pay, you may reduce the additional amount withheld. Write the total number	
Cut here and give to the second secon	the certificate to your employer. Keep the top portion for your records. — - holding Allowance Certificate	> ₇
Social Security number Name Street address City State Check the box if you are exempt from federal and Illinois	1 Write the total number of basic allowand are claiming (Step 1, Line 4, of the work 2 Write the total number of additional allow you are claiming (Step 2, Line 9, of the standard of the s	wances that worksheet). 2ithheld 3

This form is authorized under the Illinois Income Tax Act. Disclosure of this information is required. Failure to provide information may result in this form not being processed and may result in a penalty.

Employer: Keep this certificate with your records. If you have referred the employee's federal certificate to the IRS and the IRS has notified you to disregard it, you may also be required to disregard this certificate. Even if you are not required to refer the employee's federal certificate to the IRS, you still may be required to refer this certificate to the IIInions Department of Revenue for inspection. See Illinois Income Tax Regulations 86 III. Adm. Code 100.7110.